



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

May 20, 1998

## CERTIFIED RETURN RECEIPT P 074 976 646

Nick Kalanges  
Pacific Coast Building Products  
3001 I Street  
Sacramento, California 95816

Re: Formal Approval of Form and Amount of Replacement Reclamation Surety, Interstate Brick Company, Fivemile Pass (M/045/006), Tooele County; Powell (M/049/004) and Jim Gay (M/049/005) Utah County, Utah

Dear Mr. Kalanges:

On May 20, 1998, the Acting Director of the Division of Oil, Gas and Mining formally approved the form and amount of replacement reclamation surety for Interstate Brick Company's Fivemile Pass, Powell and Jim Gay mine sites. The Division has been directed that whenever a surety is changed, the amount needs to be updated to current dollars and escalated five years into the future. Due to time constraints and the Division workload, we were not able to perform a field inspection to re-calculate the bonds. Therefore, there is no change to the mining and reclamation plan at this time; these replacement surety amounts are escalated figures only from the currently approved plan.

The new reclamation surety bonds issued by National Fire Insurance Company of Hartford replace the current surety bonds with St. Paul Fire and Marine. The Division hereby grants its final approval of the replacement reclamation sureties. Enclosed please find copies of the fully signed and executed Reclamation Contracts with the effective date of May 20, 1998, and accompanying surety bond forms for your files.

### New Surety Bonds Issued by National Fire Insurance Company of Hartford and Contracts with Effective date of May 20, 1998

Mine ID #	Mine Name	Surety Amount	Bond #	Joint Agency
M/045/006	Fivemile Pass	\$123,100		BLM
M/049/004	Powell	\$190,400		SITLA
M/049/005	Jim Gay	\$75,100		BLM

Page 2  
Nick Kalanges  
Interstate Bonds  
May 20, 1998

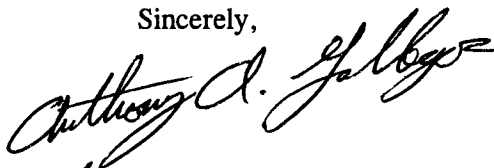
Also enclosed are the original Reclamation Contract for the Fivemile Pass dated 10/26/94 and the original Powell and Jim Gay Reclamation Contracts dated 12/7/90 for your disposal. The original St. Paul Fire and Marine surety bonds to be returned to the surety company are also enclosed.

**St. Paul Fire & Marine bonds to be returned to the surety company**

Mine ID #	Mine Name	Surety Amount	Bond #
M/045/006	Fivemile Pass	\$52,500 & 2 riders to \$150,000	
M/049/004	Powell	\$155,500 & rider to \$157,600	
M/049/005	Jim Gay	\$61,816	

Thank you for your help in finalizing this permitting action. Please call me if you have any questions regarding this letter.

Sincerely,

  
for D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb

Enclosures: (3) MR-RC's effective date May 20, 1998 w/sureties

Original MR-RC dated 10/26/94 & Original St. Paul bond # w/2 riders

Original MR-RC dated 12/7/90 & Original St. Paul bond # w/rider

Original MR-RC dated 12/7/90 & Original St. Paul bond #

cc: Jerry North, Interstate Brick w/copies of new contracts and bonds

Mike Ford, BLM w/new Fivemile & Jim Gay Enc

John Blake, SITLA w/new Powell Enc

Tina Hardy, Hucik & Co (bonding agent)

Intrstat.apv